

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

In Re:) Chapter 11
)
Olympus Healthcare Group, Inc., <i>et al.</i> ,) Case Nos. 01-1849-1851 (WSS)
) (Jointly Administered)
Debtors.)
)
KATHARINE B. SACKS, AS RECEIVER)
OF FIVE FACILITIES FORMERLY)
OWNED AND OPERATED BY) C.A. Nos. 05-581 (KAJ)
PEGASUS MANAGEMENT, INC.,)
)
Appellant,)
v.)
)
CRAIG JALBERT, LIQUIDATING)
SUPERVISOR FOR OLYMPUS)
HEALTHCARE GROUP, INC. ET. AL.,)
US NURSING CORPORATION,)
)
Appellees.)
)

STIPULATION AND ORDER OF VOLUNTARY DISMISSAL
PURSUANT TO FED.R.BANKR.P. 8001(b)

Katherine B. Sacks, in her capacity as the Receiver of Five Facilities Formerly Owned and Operated by Pegasus Management, Inc. (the "Appellant") and Craig Jalbert, Liquidating Supervisor for Olympus Healthcare Group, Inc. *et al.*, (the "Appellee") hereby stipulate and agree as follows:

1. The Appellant and Appellee have amicably resolved their disputes.

2. Federal Rule of Bankruptcy Procedure 8001(b) provides, in relevant part, that “[i]f an appeal has been docketed and the parties to the appeal sign and file with the clerk of the district court or the clerk of the bankruptcy appellate panel an agreement that the appeal be dismissed and pay any court costs or fees that may be due, the clerk of the district court . . . shall enter an order dismissing the appeal.” Fed.R.Bankr.P. 8001(b).

3. The Appellant and Appellee agree to dismissal of the above-captioned appeal with prejudice.

DUANE MORRIS LLP

REED SMITH LLP

By: /s/ Christopher M. Winter
Christopher M. Winter, Esq.
1100 N. Market Street, Suite 1200
Wilmington, DE 19801
Telephone: (302) 657-4900
Facsimile: (302) 657-4901

Counsel for Appellee, Craig Jalbert,
Liquidating Supervisor for Olympus
Healthcare Group, Inc. *et al.*

By: /s/ J. Cory Falgowski
J. Cory Falgowski (No. 4546)
1201 Market Street, Suite 1500
Wilmington, DE 1901
Telephone: (302) 778-7500
Facsimile: (302) 778-7575

Counsel for Appellant, Katharine B.
Sacks, as the State of Connecticut’s
Nursing Home Receiver for Five Facilities
Formerly Owned and Operated By
Pegasus Management Company, Inc.

NOW THEREFORE, it is hereby

ORDERED THAT, the above-captioned appeal is dismissed with prejudice.

Dated: August __, 2006

By the Clerk of the Court:

PETER T. DALLEO
CLERK, U.S. DISTRICT COURT